

Testimony given by Phil Grasty  
Director of Strategic Alliances  
Blue Ridge Area Food Bank Inc.  
4/3/01

House Sub-Committee on  
Department Operation Oversight Nutrition and Forestry

Chairman Goodlate and distinguished members of the sub-committee:

It is a privilege to be here and tell you about the importance of TEFAP commodities in the state of Virginia. I work for the Blue Ridge Area Food Bank in the Shenandoah Valley and have a close association with the Federation of Virginia Second Harvest Food Banks. This organization includes all seven America's Second Harvest Food Banks in the state.

Each of you probably knows at least something about America's Second Harvest Food Bank. If the church you attend operated a food pantry, it's a good chance that a major portion of the food they distribute to the needy comes from an America's Second Harvest Food Bank. In Virginia alone we supply food to more than 3,000 churches and non-profits groups. We distribute virtually the entire TEFAP product distributed in Virginia.

We are seeing a trend in Virginia that is of great concern to Food Banks. While we are pleased that the allotment of TEFAP increased in the state by 25% from fiscal year 1999-2000 to 2000-2001, the Federation of Food Banks are concerned about the smaller percentage of administrative money provided to Food Banks for the program distribution.

1. The need is greater. While welfare reform has been very successful, the program has created a whole new category of persons served by food bank agencies. We refer to these people as the "working poor". They hold full time jobs but do not earn enough to fully take care of their families.
2. TEFAP commodities are very nutritious staple foods. Food banks have a very difficult time obtaining donated product from the food industry with the same consistent quality and nutrition. Nutrition is even more important than quantity.

3. Food banks get the job done at a fraction of the costs incurred by government agencies. As the renowned business expert Peter Druker said, "Taxpayers should be given \$1.10 tax credit for every \$1.00 they donate to well managed non-profit." The most efficient way to get food into the hands of people that need it is through the food bank system. It is also the most cost effective.
4. Public/Private/Non-profit partnerships have been discussed a lot in recent years. The distribution of TEFAP foods through food banks is an outstanding example of this vital concept.
5. Reductions in TEFAP have a serious negative financial impact on food banks. Donations and minimal fees from agencies cover operating expenses. In the case of TEFAP this is covered by administrative funds. While TEFAP commodities for distribution increases 25% over the past two years, the administrative money has increased only 7%, which meant that approximately two million pounds of food were distributed by food banks in the past year with no administrative reimbursement. The reimbursement amount was short \$234.00 in 1999-2000 and shorts \$428,000 in the 2000-2001 fiscal year.

The bottom line is that TEFAP commodities are very important to food banks and the agencies they serve, but most importantly TEFAP is crucial to needy persons throughout this country.

The continued distribution of TEFAP food is crucial to whatever success food banks have in meeting the need. In order to adequately meet this need a sizable increase in the amount of administrative fees is surely needed by food banks to distribute the TEFAP program, so that these foods can be distributed without any charge to agencies on tight budget in our communities.

Two other issues that I would like to mention are for the Food Stamp Program. Provide an simpler application and for consideration that the Child or Adult Food Program policy of only snack reimbursement for evening meals increase from 52 cents for a snack to \$2.02 for the value of the evening meals we are serving at nights in our Kids Café's.

Marty White, Executive Director and Rod Plowman, Special Projects Manager of the Blue Ridge Area Food Bank, contributed to this report.